

## CHAPTER 3

# MILITARY PAY ENTITLEMENTS

Up to this point, we have discussed where you, as a Disbursing Clerk (DK), fit into the chain of command and some of the procedures, publications, office equipment, and machines found in most disbursing offices. This chapter begins our discussion of those professional duties required of a competent DK.

There are several steps leading up to the time when you actually hand out the member's paycheck. The first step is determining and/or verifying the member's entitlement to specific items of pay and allowances. Entitlements are established by the various laws and amendments to these laws that govern military pay.

In this chapter, the general rules governing entitlement to military pay and allowances are explained

as they relate to Navy personnel. Procedures for unusual circumstances and documentation are found in the *Navy Pay and Personnel Procedures Manual* (PAYPERSMAN) and the *Source Data Systems Procedures Manual* (SDSPROMAN), volume II.

### BASIC PAY

Monthly basic pay accrues for all personnel on active duty on the basis of their paygrades and cumulative years of service. Navy ranks and grades, their abbreviations, and the corresponding paygrades are shown in figure 3-1. Comparable ranks and grades for members of other military services assigned to the paygrades may be found in attachment 2 of the

<u>NAVY RANK OR GRADE</u>	<u>ABBREVIATION</u>	<u>MILITARY PAYGRADE</u>
COMMISSIONED OFFICERS:		
Admiral	ADM	O-10
Vice Admiral	VADM	O-9
Rear Admiral (Upper Half)	RADM(UH)	O-8
Rear Admiral (Lower Half)	RADM(LH)	
and Commodore	and COMO	O-7
Captain	CAPT	O-6
Commander	CDR	O-5
Lieutenant Commander	LCDR	O-4
Lieutenant	LT	O-3
Lieutenant Junior Grade	LTJG	O-2
Ensign	ENS	O-1
COMMISSIONED OFFICERS <sup>1</sup> :		
Lieutenant	LT	O-3E
Lieutenant Junior Grade	LTJG	O-2E
Ensign	ENS	O-1E

Figure 3-1.-Navy ranks and grades, their abbreviations, and military paygrades.

<u>NAVY RANK OR GRADE</u>	<u>ABBREVIATION</u>	<u>MILITARY PAYGRADE</u>
<b>WARRANT OFFICERS<sup>2</sup>:</b>		
Chief Warrant Officer, W-5	CWO5	W-5
Chief Warrant Officer, W-4	CWO4	W-4
Chief Warrant Officer, W-3	CWO3	W-3
Chief Warrant Officer, W-2	CWO2	W-2
Warrant Officer	WO	W-1
<b>ENLISTED MEMBERS<sup>3</sup>:</b>		
Master Chief Petty Officer of the Navy	MCPON	E-9
Master Chief Petty Officer	MCPO	E-9
Senior Chief Petty Officer	SCPO	E-8
Chief Petty Officer	CPO	E-7
Petty Officer First Class	PO1	E-6
Petty Officer Second Class	PO2	E-5
Petty Officer Third Class	PO3	E-4
Seaman, Fireman, etc.	SN, FN, etc.	E-3
Seaman Apprentice, etc.	SA, FA, etc.	E-2
Seaman Recruit, etc.	SR, FR, etc.	E-1
<sup>1</sup> Credited with over 4 years' active service as enlisted members.		
<sup>2</sup> Technical specialty title may be substituted for the military rank as Chief Supply Clerk, W-4 vice Chief Warrant Officer, W-4 or CWO4; Warrant Officer or WO.		
<sup>3</sup> Rate title may be substituted for military grade as Master Chief Disbursing Clerk or DKCM vice Master Chief Petty Officer or MCPO.		

**Figure 3-1. Navy ranks and grades, their abbreviations, and military paygrades-Continued.**

*Department of Defense Military Pay and Allowances Entitlements Manual (DODPM).*

## **SERVICE CREDITABLE**

When cumulative years of service for basic pay purposes (that is, the service creditable) is computed, active and inactive service time is included for those military organizations specified in the DODPM, part one, chapter 1. Medical Corps and Dental Corps officers

receive 4 years' credit (constructive service) for medical or dental training.

Consult the DODPM, part one, chapter 1, for entitlement and conditions concerning service creditable including constructive service for medical and dental officers.

## **PAY ENTRY BASE DATE**

After the total creditable service is determined, each member is assigned a pay entry base date (PEBD) that

is used to determine when the member is entitled to increases of basic pay. The PEBD is also used to determine increases of certain incentive and special pays discussed later in this chapter.

When a member enters on active duty for 30 days or more (other than annual training/active duty training-AT/ADT), the Bureau of Naval Personnel (BUPERS) furnishes the Defense Finance and Accounting Service (DFAS) - Cleveland Center most of the information necessary, including the PEBD, to set up the member's master military pay account (MMPA). Once the member's PEBD is established on the MMPA, no further documentation is needed to increase the basic, special, or special pay for cumulative years of service. DFAS - Cleveland Center will do this automatically.

### Establishment and Computation of PEBD

Except for Medical Corps and Dental Corps officers who receive constructive service credit and those having prior active or inactive creditable service, the date a member enlists, is inducted, or accepts an appointment is the PEBD. The PEBD remains the same as long as the member's military status continues without any breaks and the member does not lose any time.

When military status has not been continuous, the PEBD is determined by subtracting the total prior creditable service from the date the current period of service began. For example, a member reenlists on 20 February 1992 and his or her total prior creditable service is 3 years, 9 months, and 11 days. The member's PEBD is determined as follows:

<u>Year</u>	<u>Month</u>	<u>Day</u>
1991	14	
<del>1992</del>	<del>02</del>	20 – Date of reenlistment
-3	-09	-11 – Total prior creditable service
1988	05	09 – PEBD upon reenlistment

The creditable service for each prior period of service is determined by subtracting the date of enlistment from the date of discharge, adding 1 day to the result for inclusive time, and subtracting the number of days of time lost during the period. If any period of service terminates on the 31st day of a month, the 1 day for inclusive time is not added. Computation of prior creditable service is shown in the following example:

<u>Year</u>	<u>Month</u>	<u>Day</u>
	17	
1990	<del>08</del>	32
<del>1991</del>	<del>06</del>	02 – Date discharged
-1987	-08	-13 – Date enlisted
3	09	19
		+01 – Inclusive time
3	09	20
		-09 – Time lost
3	09	11 – Prior creditable service

### Adjustment of PEBD

When an enlisted member loses time in a nonduty status, the PEBD is determined by adding a period equal to the time lost, computed on a 30-day month basis. For example, an enlisted member with no prior service enlists on 18 July 1991. The member is absent without leave from 10 February 1992 through 16 March 1992. On return to full duty status, the member's PEBD changes from 18 July 1991 to 25 August 1991. The change (adjusted PEBD) is computed as follows:

10 - 30 February 1992	– 21 days
1 - 16 March 1992	– 16 days
	<u>37 days' total lost time</u>

<u>Year</u>	<u>Month</u>	<u>Day</u>
1991	07	18 – Original PEBD
	+01	+07 – Total lost time
1991	08	25 – Adjusted PEBD

For officers, the PEBD is not affected by nonduty status.

### COMPUTATION OF BASE PAY

Basic pay is an annual salary divided into 12 equal installments. One installment represents the pay for each calendar month and the daily rate is 1/30 of the monthly rate. Basic pay is computed as if each month has 30 days regardless of the actual number of calendar days in each month. The following rules for the computation of basic pay also apply to all other pay and allowances based on monthly rates.

## Service of 30 Days or More

When service begins on other than the first day of the month, pay accrues for the actual number of days served during that calendar month, but only through the 30th day of that month. If active service begins on the 31st day of any month, pay does not accrue for that day. Any person who enters active service during February and serves until the end of that month is entitled to basic pay for 30 days less the prorated amount for the number of days expired before entry on active duty. For example, if a member enters on active duty for a period of more than 30 days on 16 February, the member is entitled to 15 days' basic pay computed as follows:

30 days' basic pay

-15 days expired (1 February through 15  
\_\_\_\_\_ February) before entry on active duty

15 days' basic pay due

If the period of service ends before the last day of February, pay accrues to the member only for the actual number of days served.

## Service of Less Than 30 Days

Members entitled to receive pay for continuous periods of less than 30 days (reservist on annual training, for example) are paid for each day of the period at the rate of 1/30 of the monthly amount. Include the 31st day of a calendar month in the computation.

## Commencement Date

To determine when active duty pay and allowances commence, consult the DODPM, table 1-2-1. For increases in pay on promotion or restoration of grade, termination or reduction of pay, and allowable travel time for pay purposes for naval reservists, fleet reservists, or retired members called to or released from active duty, consult tables 1-2-2 through 1-2-4. The monthly rates of basic pay are listed in tables 1-2-5 through 1-2-8.

## SPECIAL PAY

In addition to basic pay, a member maybe entitled to one or more kinds of special pay depending upon the member's status, qualifications, or duty assignment. We discuss basic entitlement criteria to special pay next.

## CAREER SEA PAY

The following categories of personnel receive career sea pay (CSP):

- Enlisted members in paygrades E-4 and above and all warrant officers, regardless of creditable sea duty service
- Officers in paygrades O-3 to O-6 with over 3 years of previous sea duty creditable for CSP. In addition, officers in paygrades O-1E or O-2E with over 3 years of previous sea duty creditable for CSP are also eligible

CSP is payable to the previous personnel only while permanently or temporarily assigned for duty in category A or category B ships. SECNAVINST 7220.77B contains the conditions of entitlement to CSP and the DODPM, part one, chapter 18, contains the rates payable.

## Category Definitions

A category A ship is a vessel in an active status, in commission, or in service, whose primary mission is performed underway.

The following types of ships are in category A: AE, AF, AFS, AG, AGDS, AGF, AGSS, AO, AOE, AOG, AOR, ARS, ASR, ATF, ATS, AVM, AVT, BB, CG, CGN, CV, CVN, DD, DDG, FF, FFG, IX-30B, LCC, LCU, LHA, LKA, LPA, LPD, LPH, LSD, I-ST, MSC, MSO, NR, PHM, SS, SSAG, SSBN, SSN, T-AE, T-AFS, T-AG, T-AGOR, T-AGS, T-AK, T-AO, T-ARC, T-ATF, YAG-61, YFRT-451, YFRT-520, YF-885, and ARL-24.

A category B ship is a vessel in active status, in commission, or in service, whose primary mission is performed in port.

The following types of ships are in category B: AD, AR, AS, T-AH, and IX-515. Members permanently or temporarily assigned to a category B ship are entitled to CSP only during that period while the ship is at sea or when it is in port more than 50 miles away from the home port.

## Cumulative Sea Duty Time for CSP

The rate of CSP payable is based on paygrade and the cumulative years served on creditable sea duty. All time served in a shipboard sea duty status that qualified eligible members for sea pay before 1 October 1978 counts. On and after 1 October 1978, cumulative years of sea duty are credited only for periods that a member

was entitled to CSP except for lack of eligible paygrade or lack of required cumulative years of previous shipboard sea duty time.

## **CSP PREMIUM**

Members who are entitled to CSP and have served 36 consecutive months of sea duty receive a monthly CSP premium from the 37th consecutive and each subsequent month of sea duty served. The following categories of personnel receive CSP premiums:

- All officers, warrant officers, and E-4s
- Enlisted members in paygrades E-5 to E-9 with at least 3 years but less than 5 years of sea duty
- Enlisted members in paygrades E-5 to E-9 with at least 5 years of sea duty and who were on sea duty between 1 February 1988 and 30 April 1988 and have served 36 consecutive months of sea duty

Concurrent payment of CSP premiums and CSP rates for paygrades E-5 to E-9 effective 1 May 1988 is not authorized. The DODPM, paragraph 11812, contains the rate of CSP premium.

## **SPECIAL DUTY ASSIGNMENT PAY**

Special duty assignment pay (SDAP), commonly known as proficiency pay or PROPAY, is a monthly pay used to help obtain high-quality enlisted personnel for specific special duty assignments and to maintain adequate manning levels of personnel. Special duty assignments involve demanding duties requiring extraordinary effort for satisfactory performance or an unusual degree of responsibility in the discharge of assigned duties.

Pay levels and amplifying information are contained in OPNAVINST 1160.6A and the annual OPNAVNOTE 1160, subject: Special Duty Assignment Pay.

## **ENLISTMENT BONUS**

An enlisted bonus (EB) is paid to an enlistee who enlists for the purpose of qualifying and serving in a military specialty designated as critical. EBs are designed to increase the number of enlistments into hard-to-fill ratings. The amount of EBs and eligible ratings is announced each year by OPNAVNOTE 1130, subject: Enlistment Bonus.

Normally, an EB is paid upon completion of appropriate formal training (class A school) and

achievement of rating designation. Members not requiring formal training receive the bonus upon achievement of rating designation and are paid no earlier than 30 days after arrival at the first permanent duty station.

OPNAVINST 1160.6A and the DODPM, part one, chapter 9, contain complete eligibility criteria, restrictions, recoupment, and applicable installment payment procedures of EBs.

## **REGULAR REENLISTMENT BONUS**

A regular reenlistment bonus (RRB) is paid to an enlisted member who was on active duty on 1 June 1974 and who reenlists in the Regular Navy within 3 months from the date of discharge or separation after compulsory or voluntary active duty (except annual training or active duty training). Compute RRB based on the applicable basic pay, as provided in table 1-9-1 of the DODPM, on date of discharge or release from active duty multiplied by the number of years for which the member reenlists. The cumulative amount of RRB must not exceed \$2,000 during a member's military career.

The DODPM, part one, chapter 9, contains basic conditions of entitlement, restrictions, and recoupment of RRB.

## **SELECTIVE REENLISTMENT BONUS**

A selective reenlistment bonus (SRB) is used to increase the number of reenlistments in ratings and Navy Enlisted Classification (NEC) codes having insufficient retention. Reviews are conducted at least every 6 months to determine which ratings/NECs are authorized SRB. Changes to the list of SRB eligible ratings/NECs, respective award levels, and maximum amounts payable are announced by NAVOP message. The message is released 30 days before the effective date of the changes.

### **Reenlistment Zones**

Under the SRB program, there are three zones of consideration as follows:

- Zone A covers reenlistments falling between 21 months and 6 years of active service.
- Zone B spans the reenlistment margins between 6 and 10 years, with payment for additional obligated service up to 12 years of active duty.

- Zone C covers reenlistment between 10 and 14 years, with payment for additional obligated service up to 16 years of active duty.

To be eligible for any zone of the SRB, an individual must meet all the following general conditions:

- Be on active duty except annual training
- Be qualified for and serving in an SRB rating or NEC or approved by BUPERS for Selective Conversion and Reenlistment (SCORE) or lateral conversion to an SRB eligible rating
- Be a petty officer or E-3 designated striker
- Have completed at least 21 continuous months (excluding annual training) but not more than 14 years of active duty
- Be eligible to reenlist or extend for 3 or more years in the Regular Navy

- Receive prior approval from BUPERS before executing (signing) an SRB qualifying extension

A member may receive only one Zone A, one Zone B, and one Zone C bonus during his or her career.

### Amount of Payment

SRB payments are based on the award level or multiples (not to exceed 10) of the member's monthly basic pay at the time of discharge, release from active duty, or the day before beginning of extension, multiplied by the years (or fractions of years) of additional obligated service (AOS).

Figure 3-2 shows a sample worksheet in computing SRB and broken service SRB amounts. SRB payments are not made without precertification by BUPERS.

### Method of Payments

SRB payments are paid by installments. Normally, 50 percent of the total bonus is paid as the first

A.	EAOS (as extended) from current enlistment (see restrictions in OPNAVINST 1160.6A) (Note 1)	<u>93</u> (yr)	<u>07</u> (mo)	<u>30</u> (day)
B.	Date of discharge for SRB reenlistment (Note 1)	<u>92</u> (yr)	<u>05</u> (mo)	<u>16</u> (day)
C.	Time remaining on old contract (A minus B)	<u>1</u> (yr)	<u>2</u> (mo)	<u>14</u> (day)
D.	Convert time remaining to months (rounded up to the next month)		<u>15</u> (mo)	
E.	Term of SRB reenlistment in months		<u>72</u> (mo)	
F.	Additional obligated service (AOS) (E minus D)		<u>57</u> (mo)	
G.	Monthly base pay on day of discharge or release from active duty, or day before effective date of extension.			\$ <u>1,188.60</u>
H.	Subtotal (F times G divide by 12)			\$ <u>5,445.85</u>
I.	Award level			<u>1.5</u>
J.	SRB entitlement (H times I) (Note 2)			\$ <u>8,468.78</u>
K.	Broken-service multiple (.75 or .50)			<u>N/A</u>
L.	Broken-service SRB entitlement (Note 2)			\$ <u>N/A</u>

Notes: 1. If day is 31 or 29/28/ FEB, use 30.  
2. See maximum amount payable on the current NAVOP message, subject: SRB.

Figure 3-2.-Sample worksheet to compute SRB amount payable.

installment on the day of reenlistment. Pay the remaining portion in equal annual amounts over the remainder of the reenlistment period. Later installments of Zone C SRB are payable on the anniversary dates of the reenlistments that occur before the member completes 16 years of active service.

An accelerated payment is a payment of the next SRB installment before the normal anniversary date but in the same fiscal year that the installment is due. A fiscal year is the period from 1 October to 30 September. For example, a member is due an SRB installment on 15 March 1993. The member may request accelerated payment and, if approved, he or she may be paid the next installment in October 1992 instead of on 15 March 1993. The commanding officer (CO) may approve an accelerated payment.

A member may also request an advance and remaining amount payments of SRB installments. An advance payment is payment of one or more SRB installments due in a future fiscal year. A remaining amount is payment of all remaining SRB installments in one payment. These payments require BUPERS approval and should be requested only in cases of hardship.

### **Broken Service SRB**

Broken service SRB is payable to eligible members who reenlist with a break in active duty of more than 24 hours but less than 4 years. Computation of amount payable is the same as that for continuous service SRB, except that the total entitlement is reduced to .75 for 2 years or less broken service and reduced to .50 for more than 2 years but less than 4 years of broken service. The first installment is normally made no later than 30 days after arrival at the first permanent duty station following reenlistment.

The DODPM, part one, chapter 9, and the OPNAVINST 1160.6A contain the entitlement criteria, requirements, restriction, computation, and recoupment of SRB and broken service SRB.

### **DIVING DUTY PAY**

Diving duty pay (DVNG PAY) is authorized for Navy members who are designated as divers or under training for a specific diver designation following regulations contained in the *Naval Military Personnel Manual* (MILPERSMAN) and who are assigned to and performing diving duty billets established by BUPERS. Conditions of entitlement to DVNG PAY, Navy diving

duty billets, and amounts payable are listed in the DODPM, part one, chapter 11.

When assigned by orders to both diving duty and hazardous duty, a member maybe paid special pay for diving duty and no more than one payment of hazardous duty incentive pay for the same period. A member entitled to DVNG PAY and who takes more than 30 days' ordinary leave is not entitled to DVNG PAY from the 31st day of absence. DFAS - Cleveland Center automatically stops the credit and restarts it when the member returns from leave.

### **MEDICAL CORPS OFFICERS SPECIAL PAYS**

Various Medical Corps officers special pays support recruitment and retention of physicians to meet authorized strength in approved medical specialties and to help ensure adequate levels of performance. Before paying medical special pays, you need the officer's health professional pay entry date (HPPED)/board certification indicator. This is the actual or constructive date when active medical service began. Creditable service in computing the HPPED of a medical officer consists of the following:

- All periods of active service in the Medical Corps of the Army or Navy, as an officer of the Air Force designated as a medical officer, or as a medical officer of the Public Health Service
- All periods that the officer spent successfully completing medical or osteopathic internship and residence training while not on active duty

When creditable service is mentioned on medical or dental special pays, it is based on the HPPED vice the PEBD discussed earlier. The HPPED is shown on the Other Pay Entry Date (OPED) block of the LES. Entitlement criteria and rates of pay applicable to Medical Corps officers special pays are found in SECNAVINST 7220.75C and the DODPM, part one, chapter 5. Brief descriptions of each of these special pays are discussed next.

#### **Variable Special Pay**

Variable special pay (VSP) is an entitlement for Medical Corps officers serving on active duty for periods of at least 1 year to recognize their continued service in the Navy. VSP is paid monthly based on years of creditable service.

## **Board Certified Pay**

Board certified pay (BCP) is paid to Medical Corps officers who are board certified in a medical specialty recognized by the American Board of Medical Specialties or the Advisory Board for Osteopathic Specialties or Board Certification Equivalency. Additionally, they must be entitled to VSP to draw BCP. BCP is paid monthly based on years of creditable service.

## **Additional Special Pay**

Additional special pay (ASP) is paid to Medical Corps officers who are not in internship or initial residency and agree to remain on active duty for a period of not less than 1 additional year from the effective date of the agreement. It is used to enhance retention of Medical Corps officers on active duty whose performance meets military and professional standards. ASP is a lump-sum payment paid annually at the beginning of each 12-month period, starting with the effective date of the written agreement.

## **Incentive Special Pay**

Incentive special pay (ISP) assists in easing shortages of medical officers who are fully qualified in a medical specialty designated as critical and practicing in that specialty as a primary duty and other specified criteria as indicated in the DODPM, part one, chapter 5. It is paid to those officers O-6 and below who are not in internship or initial residency and agree to remain on active duty for not less than 1 year. ISP is a lump-sum payment paid annually at the beginning of the 12-month period for which the officer is entitled to such payment.

## **DENTAL CORPS OFFICERS SPECIAL PAYS**

Dental special pays support recruitment and continuation of dentists to meet authorized strength in approved dental specialties and to help ensure adequate levels of performance. As with medical officers, a HPPED is also established for dental officers.

Dental Corps officers are entitled to VSP, BCP, and ASP. Except for the rates of pay, the entitlement criteria is similar to the medical officers special pays. Additional entitlement criteria and rates of pay are found in SECNAVINST 7220.61F and the DODPM, part one, chapter 6.

## **FOREIGN DUTY PAY**

Foreign duty pay (FORN PAY) is payable to enlisted members assigned to duty at certain locations outside the continental United States (CONUS) (the 48 contiguous states and the District of Columbia) as designated by the Secretary of Defense. The DODPM, part one, chapter 17, contains the monthly rates of FORN PAY and lists the areas where FORN PAY is payable. The monthly rates vary with members' paygrade.

FORN PAY is not authorized for enlisted members who are residents of a designated foreign duty pay area while serving on permanent duty within that state, possession, or foreign country. A member's residence is the same as the member's designated legal residence for income tax purposes. An enlisted member may not receive both FORN PAY and CSP for the same period of service.

## **OVERSEAS EXTENSION BONUS**

An overseas extension bonus (EXOS BONUS) is payable to selected enlisted personnel who have completed a tour of duty in designated overseas areas and who, at the end of duty, execute an agreement to extend their tours for periods of not less than 1 year. All enlisted personnel serving on type 3 (overseas shore duty considered sea duty for rotational purposes) and type 4 (ships home-ported overseas) are eligible to apply for a tour extension and, if approved, are entitled to a monthly amount of EXOS BONUS.

An enlisted member who elects to receive the 30-day rest and recuperative (R&R) or the 15-day R&R plus government-paid round trip transportation is not entitled to EXOS BONUS. OPNAVINST 1306.1 and the DODPM, part one, chapter 14, contain additional eligibility criteria, restrictions, and current monthly rate payable applicable to EXOS BONUS.

## **HOSTILE FIRE PAY OR IMMINENT DANGER PAY**

Hostile fire pay (HFP) or imminent danger pay (IDP) is payable to members permanently assigned or under orders contemplating temporary duty for 30 consecutive days or more and required to perform duties in a designated hostile fire area. Pay HFP or IDP from the first day of the month of reporting to the last day of the month of departure from the designated area. A member who performs assigned duties connected with military operations in a designated area for a minimum



period of 6 days within a calendar month also receives HFP or IDP for that whole month. If the 6-day period begins in one month and ends in the following month, the member receives HFP or IDP pay for the month in which the duties end. HFP or IDP is also payable to all members serving on the same vessel or aircraft that was in such close proximity that members are in danger of being wounded, injured, or killed.

Payment of HFP or IDP is not prorated for that portion of the month in which entitlement begins or ends. The DODPM, part one, chapter 10, contains additional eligibility criteria, list of designated areas, and current monthly rate payable applicable to HFP or IDP.

### **FOREIGN LANGUAGE PROFICIENCY PAY**

Foreign language proficiency pay (FLPP) is a monthly pay used as an incentive to maintain adequate manning levels of qualified personnel with foreign language skills. In the Navy, FLPP is paid to the following categories of personnel:

- Cryptologic Technician (interpretive) (CTI) rating personnel possessing a foreign language NEC code
- Personnel other than those in the CTI rating serving in billets having validated foreign language requirements
- Personnel possessing NEC 9520 (Consecutive Foreign Language Translator)

The DODPM, part one, chapter 19, and OPNAVINST 7220.7B contain additional eligibility criteria, award levels, and current monthly rates payable applicable to FLPP.

### **RESPONSIBILITY PAY**

Responsibility pay (RESPON PAY) is payable to certain Navy officers entitled to the basic pay of grades O-3 through O-6, while serving in a position of unusual responsibility and of a critical nature as designated by the Secretary of the Navy. Generally, only officers commanding activities that entitle them to wear the Command at Sea insignia receive RESPON PAY. The monthly rate of RESPON PAY is based on the officer's paygrade.

Entitlement is based on the nature of the assignment rather than the personal qualifications of the CO. Thus, provided the mission of the command remains unchanged, both the relieved and relieving officers

receive RESPON PAY for the date of change of command. The DODPM, part one, chapter 13, and the MILPERSMAN, paragraph 2620200, contain additional eligibility criteria and rates payable applicable to RESPON PAY.

### **SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS**

Certain nuclear-qualified officers and individuals selected for officer naval nuclear prover training receive the following special incentive pays:

- Nuclear Officer Accession Bonus is paid to naval officers or prospective naval officers not restricted in performance of duty who have been accepted for training leading to qualification for duty involving the supervision, operation, and maintenance of naval nuclear propulsion plants.

- Nuclear Career Accession Bonus is paid to unrestricted line officers upon completion of the nuclear propulsion training program.

- Nuclear Officer Continuation Pay is a sum of money paid in equal installments to nuclear-qualified officers who agree to remain on active duty an additional 3, 4, or 5 years beyond their existing service obligation.

- Nuclear Career Annual Incentive Bonus is a sum of money paid annually to nuclear-qualified officers who have completed their initial service requirement and agree to remain on active duty for an additional year. Only officers in paygrades W-2 through W-4 and O-1 through O-6 are eligible for this annual incentive bonus.

The DODPM, part one, chapter 12, and SECNAVINST 7220.65F contain additional eligibility criteria and current rates payable applicable to special pays of nuclear-qualified officers.

### **HAZARDOUS DUTY INCENTIVE PAY**

In addition to basic pay and special pay, qualified members may be entitled to hazardous duty incentive pay (HDIP). As the term implies, HDIP is paid to members whose duty subjects them to abnormal hazards. A maximum of two HDIPs for the same period can be paid if a member meets the requirements for both. All items of HDIP have the same basic rate of pay with the exception of aviation career incentive pay (ACIP), flying duty pay (FLY PAY) for crew members, and submarine pay that varies according to a member's paygrade and years of cumulative service or aviation service.

## **FLYING DUTY PAY**

Members under orders to participate in regular and frequent aerial flights, as crew members or noncrew members, receive FLY PAY provided they meet the flight requirements and other conditions specified in part two, chapter 1, of the DODPM. As a minimum, a member in a flying status must perform 4 hours of aerial flight during 1 calendar month. There are exceptions to this rule when a member does not have 4 hours of aerial flight in a month but has excess flight hours in other months. Refer to the DODPM, paragraph 20103.

When a qualified member reports for flying duty, that fact is reported to DFAS - Cleveland Center. Once a member is on FLY PAY, DFAS - Cleveland Center will not stop the credit until notified that the member is no longer entitled to the payment.

Enlisted flight orders are categorized as DIFCREW (duty involving flying, crew member) and DIFTEM (duty involving flying, temporary noncrew member). Refer to BUPERSINST 1326.4 for more details. Temporary flight orders (DIFTECH) are issued to officers.

### **DIFCREW Orders**

BUPERS issues all crew member orders to enlisted members. These orders specify the starting date and remain in effect until the member is separated; the member is disqualified for flying duty; orders are modified or flight status changes deleting DIFCREW authorization; an order is issued approving a recommended suspension; or a member's permanent change of station (PCS) orders do not specify DIFCREW authorization for next assignment.

### **DIFTEM Orders**

Activity or unit commanders who have been authorized the funds in support of this type of orders for enlisted personnel in a noncrew member status issue these orders. These orders are normal] y for 1 month's duration or less with both the start and stop dates specified. If orders are for more than 1 month, only the start date is shown. Discharge followed by immediate reenlistment on board does not terminate enlisted flight orders.

### **DIFTECH Orders**

BUPERS issues these orders to officers at the request of a command to fill a specific billet. Such flight

orders stop automatically when the officer is transferred on PCS orders or is separated. They may also be stopped sooner at the request of the command or of the officer.

## **AVIATION CAREER INCENTIVE PAY FOR RATED OR DESIGNATED OFFICERS AND WARRANT OFFICERS**

ACIP requires permanent flight orders specifying that the officer or warrant officer is qualified for aviation service. Flight surgeons or other medical officers receive ACIP if they are qualified for aviation service and are ordered to perform operational flying duties. Officer flight orders for entitlement to ACIP are as follows:

- DIFOPS–Duty in a flying status involving operational or training flights. Officers so ordered are required to maintain basic flying skills in the performance of their assigned duties.

- DIFDEN–Duty in a flying status not involving flying. Officers so ordered are prohibited from crew member duties as either an operational or proficiency flyer. However, they will continue to receive ACIP if so entitled.

As in DIFCREW for enlisted personnel, DFAS - Cleveland Center will credit ACIP on the member's MMP A until notified that the officer is no longer entitled to the payment. Rates of ACIP payable are based on the performance of operational flying duties on the 12-year and 18-year gates of aviation service. The DODPM tables 2-1-6 and 2-1-7 apply.

## **SUBMARINE DUTY PAY**

A member performing operational submarine duty receives submarine duty pay (SUB PAY). Operational submarine duty means duty in one of the following:

- Attached to a submarine, including a submarine of a foreign nation

- Serving as an operator or crew member of an operational submersible, including an undersea exploration and research vehicle

- Undergoing training preliminary to assignment to a nuclear-powered submarine and while undergoing rehabilitation after assignment to a nuclear-powered submarine

- Receiving instruction to prepare for assignment to a submarine of an advanced design or for a position of increased responsibility on a submarine

Submarine operational command staff members whose duties require serving on a submarine during underway operations may also qualify for SUB PAY according to the DODPM, part two, chapter 2. Normally, the underway time required during a calendar month is 48 hours.

All personnel meeting the previous eligibility requirements are eligible for SUBPAY, either for continuous submarine (CONSUB) duty incentive pay or for operational submarine (OPSUB) duty incentive pay. Monthly rates of SUB PAY are found in the DODPM, tables 2-2-3 to 2-2-5.

### **Continuous Submarine Duty Incentive Pay**

CONSUB duty incentive pay is paid to active duty naval service officers and enlisted personnel who engage in and remain in the submarine service on a career basis. Most submarine personnel receive CONSUB pay. They must have an established submarine service entry date (SSED) and have obtained the prescribed amount of total operational submarine service (TOSS) at the completion of the 12th and 18th year of submarine service. A member must earn at least 6 years of TOSS upon completion of the 12th year from SSED and at least 10 years of TOSS upon completion of the 18-year gate.

Eligible personnel receives CONSUB pay even while not serving on a submarine. Upon transfer from a submarine to a nonsubmarine activity, enlisted members must have obligated service for 14 months beyond their assigned projected rotation dates (PRDs) to be paid CONSUB pay. SECNAVINST 7220.80C contains additional eligibility criteria applicable to CONSUB pay.

### **Operational Submarine Duty Incentive Pay**

OPSUB pay is payable to members assigned to and serving in a submarine when CONSUB pay eligibility criteria are not met. Eligible personnel earn OPSUB pay on a prorated day-to-day basis for any period they are attached under orders to a submarine, whether temporarily or permanently, or while serving on special test and evaluation details whose duties require serving in a submarine.

For submarine command staffs, OPSUB pay is payable on a month-to-month basis provided the requirements are met. SECNAVINST 7220.8C also contains additional eligibility criteria applicable to OPSUB pay.

## **MISCELLANEOUS HDIP**

Members under orders to perform any of the following hazardous duties and meeting the performance requirements and other entitlement conditions specified in the DODPM, part two, chapter 3, receive HDIP.

### **Flight Deck Duty Pay**

Flight deck (FLT DECK) pay is payable when a member meets the following conditions:

- Is a member of a crew of an eligible air-capable ship, or a fixed-wing aircraft carrier, or an aviation unit operating from such ship or carrier
- Is ordered to duty in a billet that requires frequent and regular participation in flight operations
- Participates, within a calendar month, in 4 days of flight operations or their equivalent on the flight deck of eligible air-capable ships

Eligible air-capable ships have a flight deck that has been certified to launch or land aircraft under the Chief of Naval Operations (CNO) ship or helicopter facility certification program. Any single day, or combination of days during a calendar month, in which the number of aircraft takeoffs and/or landings equals the monthly total requirement, as specified for that class of ship, constitutes the equivalent of 4 days of flight operations. Refer to OPNAVINST 7220.4G for additional eligibility requirements applicable to FLT DECK pay.

### **Parachute Duty Pay**

A member designated as a parachutist or parachute rigger, or one undergoing training for such designations whose duty involves parachute jumping from an aircraft in aerial flight as an essential part of military duty is entitled to parachute (PARA) pay.

### **High Altitude Low Opening Pay**

High altitude low opening (HALO) pay is paid to members who perform duties or are undergoing training involving parachute jumping at altitudes of greater than 10,000 feet with a free-fall to low altitudes before parachute opening.

### **Demolition Pay**

A member required by orders to perform duty involving the demolition of explosives as a primary duty

receives demolition (DEMO) pay. Personnel training for such duty also receive DEMO pay.

### **Experimental Stress Pay**

Experimental (STRESS) pay is paid to members who perform in any of the following duties:

- Duty performed as human acceleration or deceleration experimental subjects using experimental acceleration or deceleration devices
- Duty performed as human thermal experimental subjects in thermal stress experiments
- Duty within a high-pressure or a low-pressure chamber at a physiological facility as a human test subject, research technician, or inside instructor-observer

A member can receive only one payment of incentive pay for experimental stress duty during any 1 month.

### **Exception Reporting**

Hazardous duty requires orders to the duty and performance of the duty specified. Some kinds of hazardous duty require performance in terms of hours or days within specified time frames.

In all areas of hazardous duty, except FLT DECK duty, DFAS - Cleveland Center assumes that the performance requirements have been met and will continue to credit the applicable HDIP on the member's MMPA until notified that the member is no longer entitled to the payment. A monthly certification that FLT DECK duty requirement is met is submitted to the disbursing office before payment of FLT DECK pay.

## **ALLOWANCES**

In addition to the basic pay, special pay, and HDIP, a member may also be entitled to one or more types of allowances. These allowances include basic allowances for subsistence and quarters, family separation allowance, enlisted clothing and officer uniform allowances, and personal money allowance. This section describes the general rules of entitlement and conditions for which these allowances are payable. Always refer to the applicable part of the DODPM for current rates payable and specific conditions of entitlement.

## **BASIC ALLOWANCE FOR SUBSISTENCE**

Basic allowance for subsistence (BAS) is a cash allowance paid to officers at all times to help reimburse them for the expense of subsisting themselves. For enlisted personnel, it is also a cash allowance paid when rations in kind are not available, when permitted to ration or mess separately, or when assigned to duty under emergency conditions where no government messing facilities are available.

### **Officer's BAS**

Officers receive BAS on a monthly basis, regardless of paygrade or dependency status. BAS is credited to the officer's pay account and is included as part of the officer's net pay each payday. An officer normally pays in cash for meals consumed in a government mess. However, under certain circumstances mentioned in table 3-1-1 of the DODPM, a checkage is entered on the officer's pay account for meals furnished at no cost to the officer.

### **Enlisted Subsistence Allowances**

Enlisted members are entitled to a daily ration in kind. A daily ration in kind, or a ration, for each enlisted member is furnished to the member as three meals a day in a government mess. A daily subsistence allowance is paid to an enlisted member for each day a government mess is not available or not used.

Normally, entitlement to enlisted subsistence allowances is determined by the conditions at the member's duty station. When the subsistence allowance is authorized, the member receives the applicable rate of subsistence allowance for each calendar day of the month for which the member has not received a ration in kind.

**BAS.**– The full rate of enlisted BAS is paid when a government mess is not available. It is also payable when it is not realistic for a member to use an otherwise available government mess.

**PRORATED BAS (BAS PROTD).**– Enlisted members who eat in a government mess receive BAS PROTD for the individual meals they must buy when their duties prevent eating certain meals in the mess hall. The amount payable depends on which meal the member buys and the BAS PROTD rate for the applicable meal.

**SEPARATE RATIONS (RATS SEP).**– The RATS SEP (formerly commuted rations or COMRATS) rate is

paid when an enlisted member requests and receives authorization to subsist separately from an otherwise available government mess. Authorization is based on such factors as location of member's residence, specialized duties, working hours, dining hall capacity, and distance to the dining hall.

**SUPPLEMENTAL BAS (BAS SUPPLTL).—** Enlisted members on RATS SEP whose duties prevent buying certain meals from a general mess are paid the difference between the RATS SEP and BAS rates for the meals purchased.

**LEAVE RATIONS (RATS LV).—** Enlisted members receive paid RATS LV on a daily basis for periods of authorized leave. This includes delay in reporting (DELREP) which counts as leave between duty stations. Enlisted members on R&R absence also receive RATS LV.

**PROCEED RATIONS (RATS PROCD).—** This allowance is paid to enlisted members on a daily basis while in authorized proceed time.

**ENLISTED BAS UNDER EMERGENCY CONDITIONS.—** The Chief of Naval Personnel (PERS-20) can approve payment, including the daily rate payable, of enlisted BAS under emergency conditions. It is paid when an enlisted member is assigned to duty under unusual or emergency conditions when government messing facilities are not available and under conditions requiring extraordinary expense in obtaining meals. This allowance is not paid to members assigned to duty outside the United States or in Alaska or Hawaii.

### **Rates Payable and Procedures**

The DODPM, part three, chapter 1, contains the rates payable for each type of enlisted subsistence and conditions of entitlement. Part three, chapter 1, of both the PAYPERSMAN and the SDSPROMAN, volume II, contain the procedures for handling supporting documents for subsistence allowances.

### **BASIC ALLOWANCE FOR QUARTERS**

Entitlement to basic allowance for quarters (BAQ) is dependent upon the status of the member (with dependents or without dependents), the member's paygrade, and the assignment of government quarters for the member and/or dependents.

The BAQ payable is divided into two basic categories: BAQ for members without dependents and

BAQ for members with dependents. The rates payable vary within each category and with each paygrade.

In this chapter we briefly describe the basic conditions of entitlement for each category. The DODPM, part three, chapter 2, contains the entitlement conditions and rates payable and should always be consulted for specific up-to-date information.

### **BAQ for Members Without Dependents**

BAQ for members without dependents defrays the cost of obtaining suitable living quarters when government quarters are not available or not assigned. Members in paygrade E-7 and above, on permanent duty ashore or while aboard ship in home port or overhaul, who elect not to occupy available quarters are entitled to BAQ unless the member's CO determines that this option would adversely affect mission, military discipline, or readiness. If these eligible members report to a unit already deployed, BAQ is not authorized until the ship returns to the home port, unless the last duty station is the same as the home port of the ship.

A member in paygrade E-4 (4 or more years' service) or higher without dependents is also entitled to BAQ while the member is in a travel status, on leave, or in a proceed time status between permanent duty stations, including temporary duty en route, when not assigned government quarters, or does not temporarily occupy government quarters for more than 30 days at any one location. The DODPM, part three, chapter 2, contains eligibility requirements, restrictions, and current rates payable applicable to BAQ for members without dependents.

### **BAQ for Members With Dependents**

A member with dependents receives BAQ at the monthly rates prescribed for the member's paygrade with dependents under the following conditions:

- Adequate government quarters are not finished for the member and dependents without payment of a rental charge.
- Adequate government quarters are not available for the member's dependents, or dependents are prevented by competent authority from occupying such quarters, even though the member is assigned quarters for himself or herself.
- Dependents do not accompany the member to the permanent duty station or its vicinity. Availability of government quarters that could have been assigned is

not cause for a member not to receive BAQ for dependents.

**DEFINITION OF A DEPENDENT.**— The term *dependent* for BAQ purposes is defined as follows:

- A spouse and unmarried children who are under 21 years of age or are incapable of self-support because of mental or physical incapacity and rely on the member for over one-half of the dependent support. Children who are 21 and 22 years old are BAQ eligible if enrolled in a full-time course in an institution of higher education and the children are dependent on the member for more than half of their support.

- A parent who, in fact, relies on the member for over one-half of dependent's support. A parent includes a stepparent, a parent by adoption, or any person, including a former stepparent, who has stood *in loco parentis* (in the place of a parent) to the member for a continuous period of at least 5 years before reaching 21 years of age.

- Unmarried stepchildren and adopted children, including illegitimate children whose alleged member-father has been judicially decreed to be the father of the children or judicially ordered to contribute to their support or whose parentage has been admitted in writing by the member, when such children are in fact dependent upon the member.

**SUPPORTING DOCUMENT.**— Dependency Application/Record of Emergency Data, NAVPERS 1070/602, is the primary document used to support payment of BAQ at the with-dependent rate. This form along with other documents (marriage or birth certificates, divorce decree, and so forth) is forwarded to DFAS - Cleveland where dependency status of persons claimed for BAQ entitlement is determined.

**DEPENDENCY DETERMINATIONS.**— A member's lawful spouse and legitimate, unmarried, minor children are, at all times, considered dependents for BAQ purposes. A determination of relationship is required, but usually a determination of dependency is not.

The dependency of other family members must be established before entitlement to BAQ is authorized. Determination is required on the following persons:

- Adopted child.
- Stepchild.
- Child over 21 years of age. The commanding officer or officer in charge of the personnel support

activity detachment (PSD) makes determination of dependency of student dependents who are 21 and 22 years old.

- Dependent parent, stepparent, or adoptive parent.
- Illegitimate child.

Although it is not mandatory, the member may desire to register a dependent (D) allotment in favor of the individual whose dependency must be approved by DFAS - Cleveland. However, since one of the conditions of approval is that the member must be contributing more than one-half of the person's support, you should advise the member that registering a D allotment, in an amount equal to at least one-half of the support, enhances the possibility of approval.

When the dependency is determined to exist, DFAS - Cleveland Center starts BAQ on the MMP A and notifies the member of its action. Do not pay the member BAQ until it is reflected on the member's LES or notification is received from DFAS - Cleveland Center.

**ASSIGNMENT OF GOVERNMENT QUARTERS.**— A member does not receive BAQ for dependents if the member and dependents are furnished adequate family quarters without rental charge. The base or installation commander determines when government quarters are adequate and appropriate for assignment.

A member with dependents may be assigned designated inadequate quarters on a rental basis without loss of BAQ. The rental charge is the fair rental value for such quarters, except the rental charge may never exceed 75 percent of the occupant's BAQ at the with-dependent rate. If BAQ is later increased, the rental charge is increased accordingly.

### **Partial BAQ**

A member without dependents who is assigned to single-type quarters or is on field duty or sea duty and is not entitled to a full rate of BAQ is entitled to partial BAQ. A member in paygrade E-6 or below, without dependents, who is offered or assigned government quarters but elects not to occupy such quarters and resides in private quarters at own expense is considered assigned to government quarters. Such member receives partial BAQ and not BAQ at the without-dependent rate.

## BAQ-Difference

Members residing in government quarters or housing and receiving BAQ with dependents solely by reason of child support payments are entitled to the difference between BAQ with dependents and BAQ without dependents. In addition, they may also be entitled to partial BAQ, if eligible. The DODPM, part three, contains entitlement conditions and grandfather provisions of BAQ-difference.

## VARIABLE HOUSING ALLOWANCE

The variable housing allowance (VHA) assists members entitled to BAQ with dependents and BAQ without dependents to defray housing costs. VHA is paid to members stationed in the United States, on ships or units home-ported in the United States, or stationed outside of the United States but whose dependents reside in the United States. VHA is not paid when a member falls under one of the following categories:

- Adequate or inadequate government quarters are occupied jointly by the member and dependent(s).
- Member is paid partial BAQ.
- Member is assigned adequate unaccompanied government quarters (barracks) and authorized BAQ with dependents solely because of court-ordered child support.
- Number of PCS travel days for direct travel from old to new permanent duty stations (PDS).

## BAQ Codes

Monthly rates of VHA are based on the member's dependency status, number of members sharing rental quarters, and the ZIP Code of the member's duty station or location of dependents in the United States. When sending VHA input to start or change the amount of VHA payable, use one of the following BAQ codes:

- S-VHA without dependents, member not assigned government quarters.
- C-VHA with dependents, member stationed in United States.
- L-VHA with dependents, based on dependent's location. Refer to SECNAVINST 7220.82.

- R-VHA with dependents, member stationed out the United States, dependents residing in the United States.

## VHA Offset

Upon occupancy of permanent residence or beginning on the 61st day after reporting for duty at a PDS, a member reports the actual rent or ownership expenses. If the expenses are less than the sum of VHA and BAQ, the member's VHA is reduced by 50 percent of the difference between the expenses and the sum of the prescribed VHA plus BAQ. The amount of reduction cannot exceed the prescribed VHA. When the rental or ownership expenses are equal to or more than the prescribed VHA and BAQ, the member receives the full prescribed VHA. Part II of the VHA certificate, shown in figure 3-3, is used to compute a member's monthly rate of VHA payable.

## VHA Certificate

A VHA certificate, shown in figure 3-3, is submitted with a copy of the lease agreement, rental agreement, or mortgage documentation before authorizing VHA. The VHA certificate and the attached copy of the applicable documentation are filed in the member's personal financial record (PFR) after submission of inputs to DFAS - Cleveland Center.

**RENTERS.**— The allowable housing expenses for the purpose of computing the VHA offset is limited to the rent payment, liability and personal property insurance, plus the standard utility/maintenance expense (SU/ME) for the applicable location and member's grade. It also includes lot or berthing fees for a member who rents a mobile home or houseboat for a residence.

**HOMEOWNERS.**— The allowable housing expenses are limited to periodic mortgage payments, including the hazard and liability insurance and real estate taxes, and personal loans unsecured by mortgages plus the SU/ME for the applicable location and member's grade.

Additional eligibility requirements, restrictions, and examples of computing VHA are found in the *Joint Federal Travel Regulations* (JFTR), volume 1, chapter 8.

## OVERSEAS STATION ALLOWANCES

Members stationed outside CONUS are entitled to overseas station allowances such as cost of living

(To be completed by member)				PART I - IDENTIFICATION AND HOUSING INFORMATION																																						
1. Service Member a. NAME (Last, First, Middle (Initial))				2. Member's Residential Address (Street, Apt. No., City, County, State and Zip Code)																																						
b. Pay Grade		c. Social Security Number		3. Dependent's Residential Address (Street, Apt. No., City, County, State and Zip Code) (If other than block 2 above)																																						
d. Duty Location or Homeport (1) Station Name				4. Effect <input type="checkbox"/> Date of Lease/Rental/Sale Agreement (If NMCI)																																						
(2) City and State				a. Member		b. Dependent's (Complete if block 3 is filled out)																																				
(3) Duty Phone																																										
5. To determine if you are a "sharer", enter an X in the appropriate box at the left for each category of individual occupying your residence. For each category you mark with an X, enter the total number of individuals in that category in the box at the right.																																										
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 5%;">X</th> <th style="width: 15%;">a. Myself</th> <th style="width: 40%;">b. Spouse who is also a Servicemember. (Enter 1 and provide the following data indicated.)</th> <th style="width: 10%;">Name</th> <th style="width: 10%;">SSN</th> <th style="width: 10%;">Service</th> <th style="width: 10%;">Total</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td>c. Spouse or other dependent who is a Federal civilian employee entitled to a living quarters allowance. (Enter 1)</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td>d. Other Servicemembers entitled to basic allowance for quarters. (Enter total number)</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td>e. Excluding dependents, any others not covered above who pay a portion of the rent, mortgage, and/or utilities. (Enter total number)</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td>f. Enter the total of 5a through 5e above. (Do not count dependents unless covered by category c. If the result exceeds "1" you are considered a "sharer".)</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>								X	a. Myself	b. Spouse who is also a Servicemember. (Enter 1 and provide the following data indicated.)	Name	SSN	Service	Total			c. Spouse or other dependent who is a Federal civilian employee entitled to a living quarters allowance. (Enter 1)							d. Other Servicemembers entitled to basic allowance for quarters. (Enter total number)							e. Excluding dependents, any others not covered above who pay a portion of the rent, mortgage, and/or utilities. (Enter total number)							f. Enter the total of 5a through 5e above. (Do not count dependents unless covered by category c. If the result exceeds "1" you are considered a "sharer".)				
X	a. Myself	b. Spouse who is also a Servicemember. (Enter 1 and provide the following data indicated.)	Name	SSN	Service	Total																																				
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		f. Enter the total of 5a through 5e above. (Do not count dependents unless covered by category c. If the result exceeds "1" you are considered a "sharer".)																																								
6. Expenses. If authorized, I am requesting VHA based on: <input type="checkbox"/> my permanent duty station, <input type="checkbox"/> my dependent's location, <input type="checkbox"/> both my permanent duty station and dependent's location.																																										
a. Monthly Ownership Expenses:				b. Monthly Rental Expenses:																																						
(1) Principal/Interest				(1) Rent																																						
(2) Taxes				(2) Insurance																																						
(3) Insurance				(3) Other (Specify)																																						
(4) Other (Specify)				Totals																																						
Totals				* Docking fee, trailer hookup and/or trailer lot fee. <b>DO NOT INCLUDE CONDO/MAINTENANCE FEE.</b>																																						
Variable Housing Allowance (VHA) was implemented to provide military members an allowance based on the difference between a member's BAO and the actual rent a member pays, not to exceed the maximum VHA payable. If changes occur in residency, dependency, number of members sharing rent, or monthly rent, notify command/personnel/disbursing officer as soon as possible. The penalty for making a fraudulent claim/statement is a maximum fine of \$10,000.00 or maximum imprisonment of five years, or both (18 U.S. Code, Section 287).																																										
I certify that I fully understand the conditions of entitlement to VHA and my responsibility for promptly notifying appropriate officials when changes affecting my entitlement occur.																																										
(Signature)				(Date)																																						
(To be completed by Disbursing)				PART II - COMPUTATION																																						
7. VHA ELIGIBILITY COMPUTATION:				STOP HERE IF 7c IS GREATER THAN 7d.																																						
Column A				Column B																																						
a. BAO				h. Enter amount from 7d.																																						
b. FSA TYPE-1				i. Enter amount from 7g.																																						
c. VHA				j. Subtract 7i from 7h. Enter difference.																																						
d. TOTAL (Enter total in 7h)				k. Enter amount from 7c.																																						
e. Housing Cost (Divide by # of sharers & enter sharer's portion)				l. Subtract 50% of 7j from 7k.																																						
f. Utility/Maintenance Expense (Divide by # of sharers & enter sharer's portion)				m. Enter difference. This is the member's VHA entitlement.																																						
g. TOTAL (Enter total in 7i)																																										

Figure 3-3.-VHA certificate.

allowance (COLA), overseas housing allowance (OHA), move-in housing allowance (MIHA), and temporary lodging allowance (TLA). Only COLA and TLA are payable to those members stationed in Alaska and Hawaii.

Normally, for the purpose of payment of housing allowances, a member receives station allowances at the with-dependent rate only if he or she is joined by or acquires dependents while serving outside CONUS, the dependents are residing in the vicinity of the PDS, and the dependents are command sponsored. A member whose dependents reside at the overseas station but are not command sponsored is entitled to station allowances

at the without-dependent rate. Refer to the JFTR, volume 1, chapter 9, for an additional definition of member with or without dependents for overseas station allowance purposes.

### Cost of Living Allowance

COLA is a daily allowance prescribed to maintain the purchasing power of basic military compensation in an overseas area. A member with dependents receives COLA based on the location of the member's PDS and the number of command-sponsored dependents.

A member without dependents receives a COLA at the without-dependent rate for any day during which a



government mess is not available or use of a government mess is impractical. Permission to mess separately satisfies the requirement that use of a government mess is impractical; therefore, members authorized RATS SEP or COMRATS are entitled to COLA at the without-dependent rate. Those members without dependents residing in government quarters at a PDS, including a ship, where a government mess is available are entitled to a COLA at 47 percent of the without-dependent rate.

Normally, entitlement to COLA begins on the day a member reports to a new PDS overseas and terminates on the day before the day the member departs under PCS orders or on the day the last dependent departs within a

60-day period after the effective date of the PCS orders. To compute COLA, you first refer to the JFTR, volume 1, appendix J, for the applicable COLA index and then follow the step-by-step computation instructions in appendix L.

## Overseas Housing Allowance

OHA is a monthly allowance paid to members assigned overseas to defray or pay a significant amount of housing costs. All members authorized to live in privately leased or owned quarters receive OHA, provided an Individual Overseas Housing Allowance (OHA) Report, DD Form 2367, shown in figure 3-4 is

INDIVIDUAL OVERSEAS HOUSING ALLOWANCE (OHA) REPORT		INTERAGENCY REPORT CONTROL NUMBER 0374-00D-AR
Before completing, read Privacy Act Statement and Warning on reverse side.		REPORT CONTROL SYMBOL
<b>PART A - IDENTIFICATION AND HOUSING INFORMATION</b>		
1. SERVICEMEMBER		3. SERVICEMEMBER'S RESIDENCE ADDRESS (Street, Apt. No., City, Country)
a. NAME (Last, First, Middle Initial)		
b. PAY GRADE	c. SSN	4. EFFECTIVE DATE OF LEASE/RENTAL/SALE AGREEMENT (YYMMDD)
d. DUTY LOCATION OR HOMEPORT		5. IN WHAT CURRENCY IS YOUR RENT OR MORTGAGE PAID? (X one)
(1) Station Name		(See instructions on reverse side if you pay rent three or more months in advance.)
(2) City		a. LOCAL CURRENCY (Specify name of currency. Report amount in item 6.)
(3) Country		b. U.S. DOLLARS
(4) Duty Phone		6. X THE APPROPRIATE BOX TO INDICATE WHETHER YOUR RESIDENCE IS LEASED OR OWNED AND GIVE THE MONTHLY RENTAL AMOUNT OR THE PURCHASE PRICE IN THE CURRENCY YOU SPECIFIED IN QUESTION 5.
2. ARE YOU ENTITLED TO A COST-OF-LIVING OR OVERSEAS HOUSING ALLOWANCE FOR DEPENDENTS RESIDING ELSEWHERE? (X one)		a. LEASED/RENTED (Enter monthly rent below. If sharing, report TOTAL rent, not your share.)
a. YES (Specify location)		b. OWNED (Enter original purchase price. Include only cost of home. EXCLUDE closing costs, taxes, etc.)
b. NO or NOT APPLICABLE		
HOMEOWNERS, SKIP QUESTION 7 AND GO DIRECTLY TO QUESTION 8		
7. UTILITIES (Excluding telephone) (X appropriate block)		8. TO DETERMINE IF YOU ARE A "SHARER" FOR HOUSING ALLOWANCE PURPOSES, ENTER AN X IN THE BOX AT LEFT FOR EACH CATEGORY OF INDIVIDUAL OCCUPYING YOUR RESIDENCE. FOR EACH CATEGORY YOU X, ENTER THE NUMBER REQUESTED IN THE BOX AT RIGHT, THEN RECORD THE TOTAL IN THE BOX AT THE BOTTOM.
a. I SEPARATELY PAY FOR ALL UTILITIES. NONE ARE INCLUDED IN RENTAL/LEASE AGREEMENT WITH LANDLORD		(NOTE: Do not count dependents unless covered by category c.)
b. I DO NOT SEPARATELY PAY FOR ANY UTILITIES (excluding telephone). ALL UTILITIES ARE INCLUDED IN RENTAL/LEASE AGREEMENT AND PAID BY LANDLORD		X a. MYSELF 1
c. I SEPARATELY PAY FOR SOME UTILITIES (excluding telephone) AND SOME ARE INCLUDED IN RENTAL/LEASE AGREEMENT WITH LANDLORD. (Complete item (1)-(5) below indicating utilities services of which your landlord provides the MAJORITY.)		b. SPOUSE WHO IS ALSO A SERVICEMEMBER (Enter "1")
(1) Electricity		c. SPOUSE OR OTHER DEPENDENT WHO IS A FEDERAL CIVILIAN EMPLOYEE ENTITLED TO LIVING QUARTERS ALLOWANCE (Enter number)
(2) Heating		d. OTHER SERVICEMEMBERS ENTITLED TO A HOUSING ALLOWANCE (Enter number)
(3) Air conditioning (X if window units used and landlord provides electricity)		e. EXCLUDING DEPENDENTS, ANY OTHERS NOT COVERED ABOVE WHO PAY A PORTION OF THE RENT, MORTGAGE, AND/OR UTILITIES (Enter number)
(4) Water or Sewer		TOTAL (a through e) (If result exceeds "1," you are considered a "sharer.")
(5) Trash Disposal		
9. If Block B.b. or B.d. is marked, report their full name(s), Social Security Number(s) and Branch of Service in "Remarks" on reverse.		
<b>PART B - CERTIFICATIONS</b>		
10. SERVICEMEMBER, I certify that:		11. HOUSING OFFICER or APPROPRIATE OFFICIAL
a. The information I have reported is true and correct.		I have reviewed and verified the member's lease/rental/sale agreement and information from it was properly reported.
b. I will immediately inform my commanding officer if any changes occur to the information I have reported.		a. MIHA/MISCELLANEOUS PAYMENT AUTHORIZED? (X one)
c. The attached copy of my housing lease/rental/sale agreement (or certification from landlord) is true and correct, if applicable.		(1) Yes (2) No
d. I have read the overseas housing allowance briefing sheet provided by my commander or authorized representative, if applicable.		If Yes, entitlement is: (a) Initial (b) Subsequent
e. SIGNATURE	f. DATE SIGNED	b. SIGNATURE c. DATE SIGNED
12. CERTIFYING OFFICIAL, I have reviewed this action and certify the entitlement. If applicable to this action, member has read the overseas housing allowance briefing sheet and is aware of his/her entitlements and responsibility to report any changes.		d. TITLE
a. TYPE HOUSING ALLOWANCE ACTION (X one)		b. MIHA/MISCELLANEOUS ENTITLEMENT (X one)
(1) Start (2) Change (3) Stop (4) Correct (5) *Cancel (6) *Report		(1) Initial (2) Subsequent (3) None
*For Air Force use only		c. EFFECTIVE DATE OF ACTION (YYMMDD)
d. DOES MEMBER HAVE COMMAND-SPONSORED DEPENDENTS IN AREA OF PERMANENT DUTY STATION?		(1) Yes (2) No
e. SIGNATURE	f. TITLE	g. DATE SIGNED

DD Form 2367, APR 90

Previous edition is obsolete

(43) 19

Figure 3-4.—Individual Overseas Housing Allowance (OHA) Report, DD Form 2367.

completed and approved. This document is used to start, change, stop, or correct OHA entitlement. Whenever there is a change to any data reported, a new DD Form 2367 must be submitted.

OHA is based on comparing the actual monthly rent, up to the rental ceiling prescribed for the member's paygrade, plus the average utility recurring maintenance allowance with the member's BAQ or family separation allowance (FSA), type I, whichever the member is entitled to at the overseas PDS. Other factors to consider are the number of sharers, if any, and what part of the utilities the rent includes. The JFTR, volume 1, appendix K lists by country all areas presently authorized OHA. It also contains the step-by-step procedures in computing OHA.

Each year every member entitled to OHA must verify the documentation on file and sign a new DD Form 2367 and submit new documentation as needed. The last digit of the member's social security number (SSN) determines when the member must recertify. The schedule is shown in figure 3-5. If there is a change in the rental amount or number of sharers, submit the necessary input to DFAS - Cleveland Center. When a member fails to recertify, contact his or her CO 5 days after the month in which the member was required to recertify. If the command fails to respond, stop the member's OHA entitlement on the 10th of the following month after recertification was required.

## Move-In Housing Allowance

To be entitled to MIHA, a member must be eligible for OHA. MIHA defrays costs associated with occupying privately leased or owned quarters covered by the OHA program. MIHA is payable in a lump sum and is computed separately from a member's monthly OHA entitlement. The three types of MIHA payments are as follows:

- MIHA/miscellaneous—Reflects average expenditures made by members to make their dwellings habitable. This lump-sum payment recognizes that items such as sinks, toilets, light fixtures, kitchen cabinets, door or window locks, and a refrigerator and stove are sometimes not provided in overseas dwellings. Only one payment is authorized at a duty station unless a government-funded local move occurs and the member occupies another dwelling covered by OHA. The amount payable is prescribed in the JFTR, volume 1, appendix K
- MIHA/rent—Applies only to renters and covers reasonable rent-related expenses. These are fixed, one-time, nonrefundable charges levied by the landlord, the landlord's agent, or a government that the member must pay before or upon occupying a dwelling place. Examples are real estate agent's fees, redecoration fees, and one-time lease taxes. Advance rental payments or refundable deposits are not covered.
- MIHA/security—Covers reasonable security-related expenses for members assigned to areas where

<u>Last Digit of SSN</u>	<u>LES Remark</u>	<u>Recertification Month</u>	<u>Stop Date</u>
1	December	January	10 February
2	January	February	10 March
3	February	March	10 April
4	March	April	10 May
5	April	May	10 June
6	May	June	10 July
7	June	July	10 August
8	July	August	10 September
9	August	September	10 October
0	September	October	10 November

Figure 3-5.—OHA annual recertification schedule.

dwellings must be modified to minimize exposure to terrorist threat.

All members entitled to MIHA receive MIHA/miscellaneous. Block 11 of the DD Form 2367 supports payment of MIHA/miscellaneous. For the selected members who have qualifying rent or security-related expenses, Move-In Housing Allowance Claim Form, DD Form 2556, must be completed. See figure 3-6. If appropriate receipts or documents are not provided claims for MIHA/rent and/or MIHA/security are rejected. The JFTR, volume 1, appendix N, contains information related to MIHA authorized for members entitled to OHA.

## Temporary Lodging Allowance

TLA is a daily allowance to partially reimburse a member for the more than normal lodging costs and meal expenses incurred during occupancy of temporary lodgings. The overseas commander determines if the member and/or dependents need to occupy temporary lodgings when they first arrive at or immediately before they leave the overseas PDS.

The period of entitlement upon arrival at the PDS does not normally exceed 60 days, paid in increments of 10-or 15-day periods, as determined by the approving authority. Upon departure, the period of entitlement will not normally exceed 10 days preceding the day the

MOVE-IN HOUSING ALLOWANCE CLAIM FORM FOR PERSONNEL OCCUPYING PRIVATELY LEASED/OWNED QUARTERS OVERSEAS (Read Warning, Privacy Act Statement, and Instructions on reverse before completion)			INTERAGENCY REPORT CONTROL NUMBER 0370-000-AR REPORT CONTROL SYMBOL
<b>PART A - SERVICEMEMBER IDENTIFICATION AND RESIDENCE INFORMATION</b>			
1. NAME (Last, First, Middle Initial)		2. GRADE	3. SOCIAL SECURITY NUMBER
4. DUTY LOCATION OR HOMEPORT a. STATION NAME		b. LOCATION CODE (Official Use)	5. RESIDENCE ADDRESS (Street, Apt. No., City, Country)
c. CITY	d. COUNTRY	e. DUTY TELEPHONE NO.	
<b>PARTS B - C - EXPENSES ASSOCIATED WITH OCCUPYING RENTED/OWNED QUARTERS</b>			
a. EXPENSE ITEMS (List all expense items in Parts B and C below. Enter "None" if appropriate. If a sharer, only one sharer may report an expense item. Report all amounts in dollars and cents. Refer to Instructions and Appendix N, JFTR, to determine what can and cannot be reported.)		b. AMOUNT CLAIMED (If payment made in foreign currency, convert to dollars at actual conversion rate.)	c. AMOUNT ALLOWED (If certifier excludes any amount, provide explanation on separate sheet.) (Official Use)
<b>PART B - RENT-RELATED EXPENSES (Not applicable to homeowners)</b>			
6. PART B SUBTOTAL (Official Use)			
<b>PART C - SECURITY-RELATED EXPENSES (Allowed only in selected areas. See Appendix N.)</b>			
7. PART C SUBTOTAL (Official Use)			
<b>PART D - REIMBURSEMENT TO MEMBER (Official use only. Servicemember - skip to Part E.)</b>			
8. AMOUNT FROM LINE 6			
9. AMOUNT FROM LINE 7			
10. AMOUNT DUE MEMBER (Sum of Lines 8 and 9)			
<b>PART E - CERTIFICATIONS</b>			
11. SERVICEMEMBER: I certify that the information reported in Parts A - C is true and correct.			
a. SIGNATURE		b. DATE SIGNED (YYMMDD)	
12. HOUSING OFFICER OR DESIGNATED AUTHORIZING/APPROVING OFFICIAL: I have reviewed this claim and certify that information was properly reported. I have entered monthly rent (in dollars using Part B conversion rate, if appropriate) and total sharers from member's DD Form 2367. (If homeowner, report "rent" as original purchase price divided by 120.)			
a. RENT	b. TOTAL SHARERS	c. TITLE	
d. SIGNATURE		e. DATE SIGNED (YYMMDD)	

Figure 3-6.—Move-In Housing Allowance Claim Form DD Form 2556.

member departs from the PDS under PCS orders. Other times and circumstances when TLA is also payable are listed in the JFTR, volume 1, chapter 9, part C. This section of the JFTR also contains the rates payable, other entitlement criteria, and computation procedures.

## **FAMILY SEPARATION ALLOWANCE**

FSA is a monthly allowance payable only to members with dependents under the conditions specified in the DODPM, part three, chapter 3. There are two types of FSA payable—type I and type II. A member may qualify and receive concurrent payment of both types; however, only one payment of FSA-type II is authorized.

### **FSA-Type I**

FSA-type I (FSA FORNAL) compensates a member for added housing expenses caused by enforced separation from dependents. It applies when the member must maintain a home for his or her dependents and one for himself or herself. It is payable to a member permanently assigned to a duty station outside the United States (including Alaska but not Hawaii) who meets all the following conditions: –

- Transportation of dependents to the PDS or to a place near that station is not authorized at government expense.
- Dependents do not live at or near the PDS.
- Adequate government quarters or housing facilities are not available for assignment to the member and inadequate government quarters are not assigned.

FSA FORNAL is paid at a monthly rate equal to the monthly rate of BAQ for a member without dependents in the same paygrade. Consult the DODPM, part three, chapter 3, tables 3-3-1 and 3-3-2, for specific conditions of entitlement.

### **FSA-Type II**

FSA-type II compensates a member for added expenses incurred because of an enforced family separation. FSA-type II is payable to a member serving in any paygrade as a member with dependents. It is payable when the member meets the general requirements specified in part three, chapter 3, of the DODPM and one of the following conditions:

- Transportation of the dependents is not authorized at government expense and his or her dependents do not live at or near his or her PDS or home port. The FSA payable under this condition is called FSA RESTR or FSA-R.

- The member is on duty aboard a ship, away from the home port of the ship, continuously for more than 30 days. The FSA payable under this condition is called FSA SHIP or FSA-S.

- The member is on temporary or temporary additional duty (TDY/TAD) away from his or her PDS continuously for more than 30 days, and his or her dependents do not reside at or near the TDY or TAD station. This includes members who are required to perform a period of TDY before reporting to their first PDS. The FSA payable under this condition is called FSA TMPRY or FSA-T.

Consult the DODPM, part three, chapter 3, tables 3-3-3 through 3-3-6, for specific conditions of entitlement.

## **ENLISTED CLOTHING ALLOWANCES**

Enlisted members of the Navy, including naval reservists on extended active duty, receive an initial allowance for uniforms. This provides the member with uniforms and uniform accessories required for the member's paygrade either by a cash payment to offset purchases or by issues of clothing in a value equal to the cash payment.

The conditions of entitlement to clothing allowances are numerous and the amounts payable vary. Consult the DODPM, part three, chapter 5, for details regarding entitlement to the various types of enlisted clothing allowances. The rates of clothing allowances change every fiscal year and it is wise to refer to the current military pay advisory (MPA) that contains current rates payable before making any payments. Normally, the rate of clothing allowances changes at the beginning of each fiscal year ( 1 October).

### **Civilian Clothing Monetary Allowance**

Enlisted personnel required to wear civilian clothing in the performance of official duty may be authorized an initial allowance for clothing allowance (CAC). Rates payable depend on the length of assignment, requirement to wear civilian clothing for either or both winter and summer, length of extension or consecutive tour, and whether on permanent or temporary duty status.

This one-time payment is in addition to the appropriate clothing replacement allowances (CRA) paid annually. The DODPM, part three, table 3-5-3, or the latest MPA with the current fiscal year rate contains the rates of initial civilian clothing allowances.

### **Clothing Replacement Allowances**

Enlisted members receive an annual cash replacement allowance to provide the member with cash for the purchase of replacement clothing or for the repair of clothing articles. It is made at the end of the member's anniversary month of active duty. If a member serves for less than 12 months after the last annual payment, a prorated amount is paid, calculated at one-twelfth of the annual rate for each whole month or fraction thereof. If a member serves 7 months and 5 days after the last annual payment, pay eight-twelfths of the annual amount. The three different kinds of CRAs are as follows:

- **Basic replacement allowance (CRAB).** This allowance provides for replacement of uniquely military items that would normally require replacement from the first day of the month following the date of completion of 6 months' active duty through the 36th month of active duty. On completion of the 12th month of uninterrupted active duty, payment is made for one-half the annual rate and the full annual rate thereafter.
- **Standard replacement allowance (CRAS).** This allowance provides for continued replacement of uniquely military items after completion of 3 years of active duty.
- **Special replacement allowance (CRASP).** This allowance is paid after a member completes 36 months' active duty in paygrade E-7. A member promoted to paygrade E-7 receives CRAS until completion of 36 months' active duty in that paygrade.

### **Special Initial Clothing Allowance**

Enlisted members required to wear individual clothing of a type not customarily required for the majority of enlisted members of the Navy are entitled to special initial clothing allowance (CASI). One of the more common types of entitlement to CASI is when an E-6 is first advanced to chief petty officer. The rates and conditions under which CASI is payable are in tables 3-5-1 and 3-5-2 of the DODPM.

## **OFFICER UNIFORM ALLOWANCES**

Officers receive an initial uniform allowance upon commissioning in the Regular and Reserve components, upon completing aviation officer candidate school, and upon completing all flight training at the limited duty officer aviator candidate school. Officers in the Armed Forces Health Professional Scholarship Program also receive this allowance while on 45 days' annual training or active duty training. Additional active duty uniform allowances are payable to Reserve officers entering or reentering active duty or on active duty training for more than 90 days.

Officers assigned to a PDS outside the United States who are required to wear civilian clothing all or a substantial portion of the time in the performance of official duty may be authorized an initial allowance for civilian clothing. Take note that enlisted personnel do not have to be stationed outside the United States for entitlement to a civilian clothing allowance. The same rates of pay and eligibility criteria for enlisted, discussed earlier, are considered when this allowance is paid to officers.

## **PERSONAL MONEY ALLOWANCE**

A flag or general officer promoted to vice admiral (or lieutenant general) and admiral (or general) or serving in a specific duty assignment in the same paygrades receives personal money allowance (PMA) at the monthly rates specified in the DODPM, part three, chapter 7. Some of the flag (or general) officers paid PMA are the chairman and members of the Joint Chiefs of Staff, CNO, and the senior member of the Military Staff Committee of the United Nations when entitled to the grade, pay, and allowances of an O-9 or above.

In the case of promotion to paygrade O-9 or O-10, the input that promotes or reverts the officer also causes DFAS - Cleveland Center to start or stop PMA. However, if the entitlement to PMA depends on a specific duty assignment, BUPERS notifies DFAS - Cleveland Center when to start or stop the officer's PMA. The date of start or stop of the PMA does not necessarily coincide with reporting and/or detaching dates.

## **ADVANCE PAYMENTS**

In this section, we will discuss advances of pay on PCS, of pay and allowances for deployed units, of housing allowances (BAQ, VHA, and OHA), of dependent allotments, of leave rations, and of pay to

dependents during emergency evacuation. Advance payment of travel allowances is covered in chapter 10 of this training manual.

The PAYPERSMAN, part four, and the SDSPROMAN, volume II, part four, contain payment procedures of advance payments. The applicable alpha prefix payroll numbers are presented as we discuss the different types of advance payments. The functional account numbers (FANs) 71110 for officers and 71130 for enlisted are used on payroll vouchers unless indicated otherwise. Payment procedures, alpha prefixed payroll numbers, and FANs are discussed in chapter 7 of this training manual.

## ADVANCE PAY ON PCS

A member may draw up to 3 months' advance pay (ADV PAY) upon receipt of PCS orders. Advance of pay provides the member with sufficient funds to meet extraordinary expenses of moving from one duty station to another. A member may also draw an advance of pay for a change of home port. It is not to be used for personal financial gain nor is it intended to provide funds for such items as investments, vacation, or the purchase of consumer goods not related to the member's PCS move.

All members requesting ADV PAY on PCS orders sign an Advance Pay Certification/Authorization form, shown in figures 3-7 and 3-8. This form states the

ADVANCE PAY CERTIFICATION/AUTHORIZATION		
<b>PART I - PURPOSE</b>		
The purpose of an advance of pay incident to a PCS is to provide a Service member with funds to meet the extraordinary expenses of a <u>Government ordered relocation</u> .		
An advance of pay shall not be authorized for the specific out-of-pocket expenses covered by advances of other pays and entitlements if such advances are used. The Service member may be authorized an advance of pay to the extent that incurred or anticipated expenses exceed those covered by the following advances or reimbursements, or are outside of the scope of those entitlements:		
a. Overseas station housing allowance;	c. Service member and/or dependent travel allowances and per diem;	
b. Dislocation allowance;	d. Basic allowance for quarters and/or variable housing allowance;	
An advance of pay for a PCS move in the same geographic area of a Service member's prior duty station, home port, or place from which ordered to active duty, is only authorized when the Service member moves his/her household effects at Government expense. <u>Proof of HMG shipment is required before advance pay for PCS moves to the same geographic area is paid.</u>		
An advance of pay is not intended to provide funds for such items as investments, vacations, or the purchase of consumer goods that are not the result of direct expenses resulting from the Service member's PCS orders.		
<b>PART II - MEMBER CERTIFICATION</b>		
PENALTY: The penalty for willfully making a false claim/statement is: A MAXIMUM FINE OF \$10,000.00 OR MAXIMUM IMPRISONMENT OF FIVE YEARS, OR BOTH (U.S. Code, Title 18, Section 287.)		
I have read and understand the Navy's policy on advance pay incident to a PCS. I hereby certify that the intended use of these funds is in accordance with the stated purpose.		
a. Name (Last, First, Middle Initial)	b. Social Security Number	c. Rank/Rate
d. Signature		e. Date
<b>PART III - REQUEST</b>		
a. I request:	b. I request a repayment schedule* of:	c. I request payment of the advance pay:
<input type="checkbox"/> 1-month advance pay (Part VI must be completed if member is pay grade E-3 and below). <input type="checkbox"/> 2-months advance pay (Parts IV and VI must be completed). <input type="checkbox"/> 3-months advance pay (Parts IV and VI must be completed).	<input type="checkbox"/> 1-12 months (Part VI must be completed if member is in pay grade E-3 and below). <input type="checkbox"/> 13-24 months (Parts IV and VI must be completed regardless of pay grade).  * Repayment schedule cannot exceed member's PDS, or EMB.	<input type="checkbox"/> 1-30 days before detaching and 60 days after reporting to my next PDS. <input type="checkbox"/> 31-90 days before my PCS transfer (Parts IV & VI must be completed). <input type="checkbox"/> 61-180 days after arrival at my PDS (Parts IV & VI must be completed).
<b>PART IV - CERTIFICATION OF EXPENSES</b>		
Expenses (Actual or Anticipated):		
a. _____	\$ _____	_____
b. _____	\$ _____	_____
c. _____	\$ _____	_____
d. _____	\$ _____	_____
e. _____	\$ _____	_____
Attach extra sheets if necessary.		
Explanation of the circumstances where greater than normal expenses might be incurred or circumstances requiring an early or late payment of advance pay:		
_____		
_____		
_____		
_____		
_____		

Figure 3-7.—Advance pay certification/authorization (front).

PART V - JUSTIFICATION FOR OVER 12 MONTHS PAYBACK														
<p>Justification must demonstrate that severe hardship would result for a liquidation period of 12 months.</p> <p>a. List outstanding debts that significantly reduce your discretionary pay check:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; border-bottom: 1px solid black;"></td> <td style="width: 33%; border-bottom: 1px solid black;"></td> <td style="width: 33%; border-bottom: 1px solid black;"></td> </tr> <tr> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;"></td> </tr> <tr> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;"></td> </tr> <tr> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;"></td> </tr> </table>														
<p>b. Number of dependents: _____</p> <p>c. Specifics of your financial situation that might indicate a severe hardship in repaying the advance in the normal 12-month time period:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>														
PART VI - COMMANDING OFFICER APPROVAL/DISAPPROVAL														
<p>a. I hereby <input type="checkbox"/> approve <input type="checkbox"/> disapprove the member's request for:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; vertical-align: top; padding: 5px;"> <p>(1) advance pay for:</p> <p><input type="checkbox"/> 1 month</p> <p><input type="checkbox"/> 2 months</p> <p><input type="checkbox"/> 3 months</p> </td> <td style="width: 33%; vertical-align: top; padding: 5px;"> <p>(2) with liquidation for:</p> <p><input type="checkbox"/> 12 months</p> <p><input type="checkbox"/> 24 months</p> <p><input type="checkbox"/> other (Specify # of months) _____</p> </td> <td style="width: 33%; vertical-align: top; padding: 5px;"> <p>(3) with the payment of the advance:</p> <p><input type="checkbox"/> within 30 days of PCS transfer or within 60 days after reporting at POS.</p> <p><input type="checkbox"/> 31-90 days before PCS transfer.</p> <p><input type="checkbox"/> 61-180 days after reporting at POS.</p> </td> </tr> </table>			<p>(1) advance pay for:</p> <p><input type="checkbox"/> 1 month</p> <p><input type="checkbox"/> 2 months</p> <p><input type="checkbox"/> 3 months</p>	<p>(2) with liquidation for:</p> <p><input type="checkbox"/> 12 months</p> <p><input type="checkbox"/> 24 months</p> <p><input type="checkbox"/> other (Specify # of months) _____</p>	<p>(3) with the payment of the advance:</p> <p><input type="checkbox"/> within 30 days of PCS transfer or within 60 days after reporting at POS.</p> <p><input type="checkbox"/> 31-90 days before PCS transfer.</p> <p><input type="checkbox"/> 61-180 days after reporting at POS.</p>									
<p>(1) advance pay for:</p> <p><input type="checkbox"/> 1 month</p> <p><input type="checkbox"/> 2 months</p> <p><input type="checkbox"/> 3 months</p>	<p>(2) with liquidation for:</p> <p><input type="checkbox"/> 12 months</p> <p><input type="checkbox"/> 24 months</p> <p><input type="checkbox"/> other (Specify # of months) _____</p>	<p>(3) with the payment of the advance:</p> <p><input type="checkbox"/> within 30 days of PCS transfer or within 60 days after reporting at POS.</p> <p><input type="checkbox"/> 31-90 days before PCS transfer.</p> <p><input type="checkbox"/> 61-180 days after reporting at POS.</p>												
b. Name of Official (Last, First and Middle Initial)	c. Rank	d. Title												
e. Signature	f. Date													
<p style="text-align: center;"><b>Privacy Act Statement</b></p> <p>This statement is provided in compliance with the provision of the Privacy Act of 1974 (PL 93-579) which requires that Federal agencies must inform individuals who are requested to furnish information about themselves as to the following facts concerning the information requested.</p> <ol style="list-style-type: none"> <li>1. Authority, 37 U.S.C. 1006</li> <li>2. Principal Purpose. To provide information required to legally pay advance of pay for Naval personnel.</li> <li>3. Routine Use(s). The member provides actual/anticipated expenses and justification for the payment of advance pay. The commanding officer either approves or disapproves the member's request.</li> <li>4. Mandatory or Voluntary Disclosure. Voluntary. If member does not provide the information, advance pay cannot be paid.</li> </ol>														

**Figure 3-8.—Advance pay certification/authorization (reverse).**

purpose of the program and confirms that the funds are to be used according to the stated purpose. The CO's approval is not required if a member meets the criteria of a standard advance pay as follows:

- Member is in paygrade E-4 and above
- Member signs certification
- Member is requesting 1 month's advance pay
- Payment is made up to 30 days before transfer or 60 days after arrival

- Member is requesting a repayment no more than 12 months

### **Computation and Payment**

The amount of the ADV PAY must not exceed 3 months' basic pay, less deductions for federal/state income tax withholding (FITW/SITW), Federal Insurance Contributions Act (FICA), Servicemen's Group Life Insurance (SGLI), Dependent Dental Plan (DDP), Navy Home assessment, monthly repayment of

a prior ADV PAY, and any other required deductions from pay, except allotments. The DODPM, table 4-1-1, contains a complete list of required deductions to be made when ADV PAY is computed.

The first step in computing the maximum ADV PAY is to subtract the amount of the required monthly deductions from the member's basic pay. The remaining amount is then multiplied by the number of months authorized or requested. The resultant figure represents the maximum amount that you can legally pay to the member. Since the advance is normally recovered in 12 equal installments, the legal maximum amount should be reduced to the newest full dollar amount divisible by 12. For example, if the legal maximum amount came to \$1,635.43, the member will be paid \$1,632.00, the nearest maximum amount divisible by 12. The member may elect to receive an amount smaller than the maximum amount authorized.

ADV pay is paid not earlier than 30 days before departure or within 60 days after arrival at the new or first PDS or home port. The 30-day and 60-day windows may be extended to 90 days before and 180 days after, when justified by the member for extenuating circumstances and approved by the CO.

Pay ADV PAY on a prefixed Z payroll. Use FAN 71111 for officers and FAN 71135 for enlisted personnel.

### **Repayment**

Repayment of the ADV PAY begins on the first day of the month following the month in which the advance was paid. If an advance was paid 7 February, the checkage would begin on 1 March. At the member's request and approved by his or her CO, the ADV PAY may be repaid up to a maximum of 24 months. The member may also repay the ADV PAY in fewer than 12 equal monthly installments or in one lump sum, if there are sufficient funds accrued on the member's pay account to offset the unpaid balance, or make a cash deposit to repay the advance.

### **Restrictions**

Advance payments on PCS orders within the same geographical area are only authorized when the member moves household goods at government expense. A member is not entitled to ADV PAY if the PCS orders are for discharge or separation from active duty.

The liquidation schedule cannot exceed the member's PRD or expiration of active obligated service

(EAOS), whichever is earlier. ADV PAY must be paid in full (by cash or deduction from pay) before another ADV PAY under a new set of PCS orders is authorized.

Do not pay an ADV PAY in an amount that requires the stoppage of allotments for insurance or support of dependents. At the same time, no allotments may be started after the advance is made if it will prevent repayment within the allowed period. If separation is imminent, stop all allotments necessary to collect the advance.

## **ADVANCE OF PAY AND ALLOWANCES**

Advance of pay and allowances (ADV PAY ALW) eases the financial hardships imposed by the lack of regular payments when members are ordered to duty at distant stations, mobilized, or deployed aboard ships for more than 30 days. Upon receipt of the listing, certified by the CO, identifying those members deploying and wishing an advance of ADV PAY ALW, compute the amount authorized. ADV PAY ALW is based on net pay and allowances. That is, total all continuing entitlements and subtract all continuing deductions, including allotments in force.

The amount of ADV PAY ALW may not normally exceed 3 months' basic pay and allowances less all deductions from pay. The approval of the Comptroller of the Navy (NAVCOMPT) is required for Navy members for an ADV PAY ALW in excess of 3 months. In any case, for a member in receipt of orders for deployment aboard ship, the amount of the ADV PAY ALW normally must not exceed the number of regular payments scheduled during the deployment.

ADV PAY ALW is granted because regular disbursing facilities will be limited or nonexistent. Therefore, these advances normally are liquidated by withholding all regular pay accruing to the member until the net pay and allowances satisfy the amount advanced. However, if the deployment ends earlier than scheduled or anticipated, the CO may authorize repayment by installments.

Pay ADV PAY ALW on a prefixed P payroll.

## **ADVANCE HOUSING ALLOWANCES**

Advance housing allowances (ADV HOUS) is to pay for advance rent, security deposits, and/or initial expenses incident to occupying other than government housing. For members stationed in the United States, ADV HOUS on VHA and BAQ is authorized, and for



those stationed overseas entitled to OHA, ADV HOUS on OHA and BAQ is authorized.

The amount advanced is based on housing expenses and the authorized VHA and BAQ or OHA and BAQ. Housing expenses must be documented to include copies of the lease, utility company's statement, and any other pertinent documentation available. In no case should the advance exceed the anticipated housing expenses, or the total of 3 month's VHA and BAQ or OHA and BAQ expected to be accrued by the member, whichever is less. Expenses identified by the member that will be used in the purchase of any real estate or living accommodations are not considered as basis for authorizing or determining the amount of the advance.

Normally, ADV HOUS is disbursed no more than 3 working days before the time the payment under the lease or rent agreement must be made unless approved for a longer period by competent authority. The member must file a request within 30 days after the rental or lease agreement is signed to qualify for ADV HOUS.

The repayment schedule begins the first day of the following month, for 12 months, after the date of payment. When justified by the member and approved by the CO, liquidation of more than 12 months and/or postponement of the repayment schedule up to 3 months after paying the advance is also authorized. Action to recoup the unliquidated advance begins immediately upon receipt of information that the member has vacated the housing for which the advance was made. The JFTR, volume 1, chapters 8 and 9, contains additional eligibility criteria regarding ADV HOUS.

Pay ADV HOUS on a prefixed R payroll. Use FAN 71115 for officers and FAN 71150 for enlisted personnel.

### **ADVANCE DEPENDENT ALLOTMENT**

Members assigned to sea duty or other duty with a unit or command deployed or to be deployed outside the United States, for a continuous period of 1 month or more, may be advanced the amount of a newly registered dependent allotment or the amount of the increase in the amount of an existing dependent allotment. The allotment must be registered not more than 60 days after the unit deployed or more than 60 days after member reported to a deployed unit. Repayment is be authorized for a 6-month period only.

Pay advance dependent allotment on a prefixed I payroll.

### **ADVANCE LEAVE RATIONS**

When an enlisted member has been granted leave of 10 days or more, the member may draw advance leave rations (ADV RATS LV) for the number of days authorized before departure. Payment is authorized on the preceding workday but not more than 3 days before the actual date of departure when the first day of leave is after a Saturday, Sunday, or legal holiday.

ADV RATS LV is payable to members authorized regular leave and leave in conjunction with orders. The member's approved leave papers or orders that authorize leave support the request for ADV RATS LV.

Pay ADV RATS LV on a prefixed S payroll.

### **ADVANCE TO DEPENDENTS DURING EMERGENCY EVACUATION**

This advance payment is to furnish evacuated military dependents with funds to cover cost of travel, food, and other needs until allotments can be started. It is an advance of pay, not to exceed 2 months' basic pay, payable to dependents in one lump sum or in installments (usually not more than two). The advance is paid at the permanent station or any military disbursing office either overseas or in the United States.

Pay advance to dependents during emergency evacuation on a prefixed D payroll.

### **Documentation**

The primary supporting document for advance pay to dependents is a completed Authorization/Designation for Emergency Pay and Allowances, DD Form 1337. The member prepares this form in duplicate. The original and copy are signed by the member, the primary dependent, and the member's CO. (Authority may be delegated to sign. By direction and signature may be autographic or facsimile.)

Upon receipt of the original DD Form 1337, the disbursing officer verifies the amount authorized by the member. If the amount is within authorized limits, stamp or write the disbursing station symbol number (DSSN) beside the amount. However, if the member specified too large an amount, return the original to the admin or personnel office for reprocessing. For illustration of a completed DD Form 1337, refer to figure 3-9. The admin or personnel office delivers the verified original DD Form 1337 to the dependent along with a locally prepared set of instructions similar to that shown in figure 3-10.



1. DD Form 1337 has been provided to you for obtaining emergency funds during the period of this evacuation.
2. This is an important document and should be kept at all times with passports and other important papers.
3. The payments authorized on DD Form 1337 are not gratuities, but will be deducted from your sponsor's pay account. The emergency station allowance is an exception to this rule when the evacuation is incident to an overseas safe-haven area.
4. The DD Form 1337 is also the means for obtaining the emergency station allowances that will accrue in case of evacuation to an overseas safe-haven area. Such allowances are not deductible from your sponsor's pay account.
5. Payment may be obtained during evacuation by presenting DD Form 1337 with proper identification to any military disbursing officer—either overseas or at the port of debarkation in the continental United States.
6. Payments may be made in one lump sum or in installments (usually not more than two). Total payments are limited by the amount shown on the face of DD Form 1337.
7. If this evacuation becomes permanent, you must immediately advise the following addressee of your new address:

Director  
DFAS - Cleveland Center  
Anthony J. Celebrezze Federal Building  
Cleveland, OH 44199-2055

Your promptness will assure receipt of your next allotment check(s) in a timely manner.

8. When this evacuation is only temporary, the area commander will take action to forward your allotment check(s) from the evacuated area to the safe-haven area. The area commander responsible for this action is:

\_\_\_\_\_  
(Commander's title)

\_\_\_\_\_  
(Commander's address)

\_\_\_\_\_  
(Phone no. of point of contact by name)

Figure 3-10.—Sample instructions to dependent.

Become familiar with the various kinds of pay and allowances and the paygrades or categories of personnel to whom they may be paid. Only basic entitlement criteria were presented in this chapter. If you encounter any situation, other than what was discussed here, refer to the applicable publication for procedures and determination of entitlement to pay and allowances.

Rates of pay were omitted from this chapter because frequent changes would soon make the information obsolete. Again, you should refer to the applicable

publication or the current MPA to obtain the current rates.

#### REFERENCES

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*Aviation Career Incentive Pay*, NAVMIL-PERSCOMINST 7220.1A, Department of the

- Navy, Naval Military Personnel Command, Washington, DC, February 5, 1991.
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- Foreign Language Proficiency Pay (FLPP) Program*, OPNAVINST 7220.7B, Department of the Navy, Office of the Chief of Naval Operations, Washington, DC, December 5, 1990.
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- Navy Pay and Personnel Procedures Manual (PAYPERSMAN)*, NAVSO P-3050, Change 129, Navy Department, Office of the Comptroller, Washington, DC, December 18, 1991.
- Nuclear Officer Incentive Pay*, SECNAVINST 7220.65F, Department of the Navy, Office of the Secretary, Washington, DC, March 10, 1987.
- Overseas Tour Extension Incentives Program*, OPNAVINST 1306.1, Department of the Navy, Office of the Chief of Naval Operations, Washington, DC, September 15, 1981.
- Source Data System Procedures Manual (SDSPROMAN)*, NAVSO P-3069-2, Volume II, Change 34, Navy Department, Office of the Comptroller, Washington, DC, November 26, 1991.
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- Special Pays for Medical Corps Officers*, SECNAVINST 7220.75C, Department of the Navy, Office of the Secretary, Washington, DC, May 31, 1990.
- Submarine Duty Incentive Pay (SUBPAY) Program*, SECNAVINST 7220.80C, Department of the Navy, Office of the Secretary, Washington, DC, September 6, 1990.
- Variable Housing Allowance (VHA) Based on Dependent Location*, SECNAVINST 7220.82, Department of the Navy, Office of the Secretary, Washington, DC, July 31, 1987.